



ANNOUNCEMENT LS-11

May 2004

**PURCHASE OF FRESH BONELESS BEEF FOR FURTHER PROCESSING
FOR DISTRIBUTION TO ELIGIBLE OUTLETS
REQUEST FOR PROPOSAL
INDEFINITE DELIVERY/INDEFINITE QUANTITY
DESTINATION BASIS**

I. GENERAL

A. The United States Department of Agriculture (USDA) is issuing this Indefinite Delivery/Indefinite Quantity (ID/IQ) Request for Proposals (RFP) to boneless beef suppliers to provide fresh, boneless beef to processors who have contracts with State Distributing Agencies for production into cooked beef items. The products are for distribution to participants in the National School Lunch Program. The boneless beef supplier will be responsible for delivering fresh, boneless beef packed in combos containing approximately 2000 pounds of fresh boneless beef for processing into beef items. The fresh boneless beef must be of domestic origin and produced in accordance with the Technical Requirement Schedule - BB for Fresh, Boneless Beef Products for Further Processing, (TRS-BB) dated May 2004 and the contractor's approved boneless beef technical proposal. A truckload quantity shall consist of 40,000 pounds. The boneless beef supplier will be responsible for delivering the fresh boneless beef according to all of the terms of the contract with USDA. The fresh boneless beef cannot be frozen for later use without prior approval by the Contracting Officer.

USDA intends to award multiple ID/IQ contracts to boneless beef supplier(s) that are deemed eligible to submit offers by the Contracting Officer. Contracts will be awarded to those offerors whose proposals are deemed most advantageous to the Government in terms of cost, quantity offered, region offered, and recipient needs. Additional quantity, in 40,000 pounds increments, may be added to the contract(s) based on recipients' needs and/or program funding.

Interested offerors must submit a technical proposal as described in Sections I.G.5. and II. E., and a cost proposal which specifies an overage (index price) cost over meat cost based on USDA, Market News National/Regional Weekly Boneless Processing Beef and Beef Trimmings-Negotiated Sales-FOB Plant - National (LM_XB460) posted 3:30 p.m. CST Friday. The meat cost will be calculated on a formula basis using 90 percent, 85 percent, and 50 percent lean beef trimmings. The formula used is: $0.5[(.875)(90 \text{ percent lean price per pound}) + (.125)(50 \text{ percent lean price per pound})] + 0.5(85 \text{ percent lean price per pound})$. The delivery orders will specify destinations to be filled with any transportation restrictions, and any other provisions applicable to the proposed procurement, which are in addition to or different from those set forth herein. (See Exhibit A for the sample initial offer.) Offers solicited under this RFP and the applicable delivery orders are for delivery of product to USDA on an f.o.b. destination or f.a.s. vessel basis only.

Additional bid and contract provisions are included in the Annual Certifications, Representations, and Warranties (Appendix-1) and the General Terms and Conditions for the Procurement of Agricultural Commodities or Services, Revision 2, dated November 1984, and

Amendments 1, 2, 3, and 4 dated October 1990, November 1990, August 1989, and March 1990, respectively, hereinafter referred to as USDA-1.

B. Offerors are cautioned to carefully read this Announcement, Appendix-1, USDA-1, TRS-BB, and applicable Audit, Review, and Compliance (ARC) Branch Instructions. Failure to do so will be at the offeror's risk. These documents are incorporated into the contract (see Section V of this Announcement). Offerors are cautioned that statements made by persons other than the Contracting Officer are not binding on the Government unless confirmed in writing by the Contracting Officer.

C. Indefinite Delivery/Indefinite Quantity

Indefinitely delivery/Indefinite quantity contracts, as described in 48 Code of Federal Regulations (C.F.R.) §§ 16.500 and 16.504, will be awarded for fresh, boneless beef. The initial request for offers will state the destinations, estimated quantity, and the applicable delivery periods for the fresh boneless beef.

D. Ordering (48 C.F.R. § 52.216-18 as amended),--Additional truckload quantities will be requested as prescribed below:

1. The fresh, boneless beef under these contracts shall be ordered by issuances of delivery orders by the Contracting Officer. Such orders may be issued from July 1, 2004, through June 30, 2005.
2. All delivery orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order and this contract, the contract shall control.
3. Delivery orders are considered "issued" when the Government deposits the order in the mail, or Faxes or e-mails it to the contractor.

E. Order Limitations (48 C.F.R. § 52.216-19) are stated below.

1. MINIMUM ORDER

When the Government requires fresh boneless beef covered by this contract in an amount of less than one truck unit (40,000 pounds), the Government is not obligated to purchase, nor is the Contractor obligated to furnish, the fresh boneless beef under contract.

2. MAXIMUM ORDER

The Contractor is not obligated to honor:

- (a) Any order for a single line item in excess of 3 truck units (120,000 pounds); or
 - (b) Any order for a combination of line items in excess of 8 truck units (320,000 pounds); or
 - (c) A series of orders from the contracting officer within 14 days that together call for quantities exceeding the limitations in subparagraphs 2(a) or (b) of this section.
3. Notwithstanding paragraph 2 of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph 2, unless that order (or orders) is returned to the ordering office within 5 days after issuance, with written notice stating the Contractor's intent not to deliver the item(s) called for and the reasons why. Upon receiving this notice, the Government may acquire the supplies or services from another source.

F. Destination Basis--Evidence of Shipment

Offer prices must be quoted and delivery of product must be on the basis of f.o.b. destination at the processors' location as specified in this Request for Proposal and the applicable delivery order. **All product shipped by truck must be in combos and palletized in accordance with the TRS-BB and instructions contained in the contractor's approved technical proposal. Contractors may arrange for pallet exchange with the consignee; however, USDA is in no way responsible for such arrangements.** Offers submitted on a basis other than f.o.b. destination will be rejected as nonresponsive.

Contracts will be awarded on an f.o.b. destination basis with quality assurance determined by USDA through pre-award and post award audits as described Section I.G.5. Contractor must furnish, in support of the contractor's invoice, a Certificate of Conformance (see Exhibit B) and a copy of the signed commercial bill of lading indicating the carrier's receipt of the product covered by the invoice for transportation to the destination specified in the contract.

G. Responsibility of Offeror

1. Annual Certifications, Representations, and Warranties

An Offeror intending to submit a response to this RFP must complete the Annual Certifications, Representations, and Warranties in Appendix-1 and return it to the Contracting Officer set forth in Section II. A. of this Announcement prior to the submission of its offer. An officer of the company must sign the Appendix-1. If there are any changes or revisions to Appendix-1, Offeror must submit an updated Appendix-1 to the Contracting Officer or attach corrections or revisions at the time of the offering.

2. Standard Form 129--Solicitation Mailing List Application

An Offeror intending to submit a response to this RFP must complete a Solicitation Mailing List Application (SF-129) and return it to the Contracting Officer at the mailing address listed in Section II. A. of this Announcement prior to the submission of its offer.

All items (except Item 18) of the SF-129 must be completed. (see Exhibit C). Offeror must also include the following information for Items 4, 8, 10, 14, 16B, 19, and 20:

- | | |
|----------------|--|
| Items 4 and 8: | Employer's identification number and Food Safety and Inspection Service (FSIS) Establishment number. |
| Item 8: | Identify all affiliates of offeror (applicant as shown in 4) by providing full name, main office address, and employer's identification number and TIN of the affiliates. An "affiliate" is defined on the back of the SF-129. |

- Item 10: The product purchased by USDA which the offeror is interested in supplying, weekly volume of production, capacity, and percent of capacity available for USDA contracts. Attach separate list if additional space is needed.
- Item 14: Company's Taxpayer Identification Number (TIN)
- Item 16B: Identify the freezer or warehouse to be used and its storage capacity.
- Items 19 and 20: Must be an officer of the company.

Offeror must certify the accuracy of the current SF-129 and Appendix-1 on file with the Contracting Officer.

3. Responsibility

A firm submitting an offer under this Announcement must meet the Federal standards for responsibility contained in Title 48 C.F.R. Subpart 9.1, USDA-1, this Announcement, and initial offer. A determination of the responsibility contained in Title 48 C.F.R. Subpart 9.4 must be made prior to a firm submitting a technical proposal. Facilities to be used in fulfilling USDA contracts must operate under the provisions of the Federal Meat Inspection Act (FMIA), 21 U.S.C. 601 et seq. and the regulations issued hereinafter.

Offerors must ensure that all products offered for USDA purchase are in compliance with applicable contract and specification requirements. Offerors shall authorize the Contracting Officer's Technical Representative (COTR) unrestricted access to all records that pertain to USDA contracts.

Contractor must be registered under the Central Contractor Registry (CCR) System as prescribed in Title 48 C.F.R., Subpart 4.1104 and will certify in Appendix-1 on file with the Contracting Officer.

4. Food Security Requirements

Contractor must have a written food security plan that provides for the security of a plants' production processes. The plan shall address the following areas: 1) food security plan management, 2) outside and inside security of the facility, 3) slaughter and processing, 4) shipping and receiving, 5) storage, 6) water and ice supply, 7) mail handling, and 8) personnel security. The plan will be subject to periodic review by the AMS, ARC Branch. See FSIS Security Guidelines for Food Processors at the following web address:

<http://www.fsis.usda.gov/OA/topics/SecurityGuide.pdf>

5. Documentation and Assessment Requirements

To become an eligible supplier, the following must be submitted to the Contracting Officer at Agricultural Marketing Service, U.S. Department of Agriculture, Stop 0253, Room 2610-South Building, 1400 Independence Avenue, SW., Washington, D.C. 20250-0253, for evaluation and approval prior to submitting an offer:

a. Technical Proposal Requirement:

- 1) Include a detailed description of the fresh boneless beef offered and each of the production steps that are taken to meet or exceed the minimum product requirements set forth in the TRS-BB. (Plan/Do)
- 2) Describe all the quality assurance methods used to verify conformance to all requirements. This will include the monitoring and measurements taken during the process to verify conformance with each requirement. All measurement results shall be recorded and made available to USDA's Agricultural Marketing Service (AMS). (Check)
- 3) Identify all corrective actions to be taken if deviations from contractual and specification requirements occur during production, and all preventative actions to be taken to preclude a reoccurrence. (Act)
- 4) The technical proposal shall follow the format as described in Section II. E., Technical Proposal format. Offeror's technical proposal should be brief and concise.
- 5) The proposal shall be preceded by the following, as required by the template:
 - a) Table of contents listing the major areas as they appear in the technical proposal template; and
 - b) List of attachments: forms that are stated within the proposal that are attached, if appropriate.
- 6) The technical proposal should be written in the following format:
 - a) Plan and Do - A description of the planning and production steps taken to meet each requirement.
 - b) Check - Describes all the quality assurance methods that will be used to verify conformances to each requirement. This will include the monitoring and measurements taken during the process (all measurement results shall be recorded and made available to AMS upon request).
 - c) Act - Identifies all corrective actions to be taken if deviations from contractual and specification requirements occur during production and all preventative actions taken to preclude reoccurrences.

NOTE: There will be an approximate turn around time of 10 working days between the receipt of technical proposal(s) and the notification of results of the evaluation(s).

The Contracting Officer's technical representatives will review each technical proposal to determine if the proposal is adequate. The Contracting Officer will notify the supplier of the status of their technical proposal.

Once a supplier is notified by the Contracting Officer that the technical proposal(s) meets the applicable criteria, the Audit, Review, and Compliance (ARC) Branch will contact the supplier to set up a supplier pre-award onsite capability assessment.

b. Assessment by the ARC Branch

After the technical proposal is evaluated and approved, an ARC Branch auditor will perform an onsite assessment of the facilities, processes, and quality control program used to produce the product(s) to determine the supplier's ability to meet contractual requirements. The following assessments will apply:

1) Pre-Award Onsite Capability Assessment:

The pre-award, onsite assessment (audit) will include, but is not limited to, a thorough evaluation of the potential contractors' and subcontractors' facilities, processes, quality control program, equipment, procedures, and the appropriate documents and forms used during the production of the fresh boneless beef. Documentation must support the production of the fresh boneless beef that complies with the TRS-BB, dated May 2004 (Attachment I) and the potential contractor's approved technical proposal. In addition, the audit will consist of the review of records related to purchasing, receiving, production, quality control, inventory and shipping records, and interviews with management and production personnel.

Upon completion of the onsite capability assessment, the ARC Branch auditor will provide a report to the Contracting Officer for final review.

2) Post-Award Assessment

Approved suppliers who receive contracts must have their technical proposals and supporting documentation readily available for review by AMS agents. Records may be maintained on hard copy or electronic media. However, records maintained as electronic media will be made available in printed form immediately upon request by AMS or its agents.

The ARC Branch will conduct an on-site audit of the contractor's and subcontractor's facilities and processes when production commences for the initial contract awarded. Additional audits will be conducted as determined by the Contracting Officer, but not less than once per month for contractors with continuous delivery orders. More frequent audits will be conducted when audit deficiencies are detected.

3) Post-Award Actions

Any deviation from contractual requirements will be immediately reported by the contractor to the Contracting Officer. The Contracting Officer will notify the contractor regarding eligibility to continue to participate as a contractor.

Contractor will assure that the delivered product complies with the provisions of the TRS-BB, dated May 2004 and the applicable assessment by USDA and the contractor's technical proposal approved by the Contracting Officer.

5. Responsibility of Subcontractors/Suppliers

Contractor shall include, and the subcontractor must meet, the responsibility terms in paragraph G.3. of this section in every subcontract for supplies or services used by the contractor in fulfilling USDA contracts, either directly or indirectly, and obtain certification of responsibility as described in Appendix-1 to this Announcement from any subcontractors and suppliers.

Contractors shall include, and subcontractors must comply with, the domestic products clause in paragraph I.I. of this section for all subcontracts for meat or meat products or other ingredients used in fulfilling any contracts under this Announcement. Prior to their performance on the contract, subcontractors or suppliers of beef to be used in fulfilling contracts must be approved by the ARC Branch for compliance with domestic origin and slaughter material requirements.

Subcontractors or suppliers of beef are (1) ineligible if they do not have a domestic product and slaughter programs approved by the ARC Branch, or if they are currently delivering late on USDA contracts or USDA-approved subcontracts and late delivery is not due to causes beyond their control; and (2) nonresponsible if they are not operating under the provisions of the Federal Meat Inspection Act (FMIA) or have been suspended or debarred under the provisions of 48 C.F.R. Subpart 9.4.

6. Past Performance

The Offeror must certify to timely performance on current contracts and subcontracts in **Part 3, Item 6** of the offer. A determination that any past or current late performance was beyond the control or negligence of the Contractor or the subcontractor **must be made by the Contracting Officer prior to opening of offers or adding additional quantity to the contract.** An offeror will be deemed nonresponsible if the Offeror **or any of its' affiliates or subcontractors** are delivering late on other contracts or subcontracts with USDA and the late delivery is not due to causes beyond their control. This provision, as it pertains to small business, is a deviation from 48 C.F.R. Subpart 19.6.

A false certification may result in rejection of the offer, suspension and debarment by USDA, termination of the contract, liability for damages under the provisions of USDA-1, or criminal prosecution.

Offerors are cautioned **NOT TO OFFER** on product quantities exceeding a level that the offeror can reasonably expect to procure and deliver in accordance with the contract schedule. On-time delivery is imperative because this product is used in the school lunch program. Late deliveries cause serious and substantial damages to USDA and to recipient agencies, some of which cannot be compensated for by liquidated damages.

Contractors delivering late on contract(s) must immediately notify the Contracting Officer of late shipments. If the contractor intends to request an extension due to causes beyond the control or negligence of the contractor, such notice must be made to the Contracting Officer 3 business days in advance of a opening of offers in which the contractor wants to submit an offer or request for adding of additional quantity to the contract. Notification and request for extension must include (1) documentary evidence of causes beyond contractor's control for each day requested, (2) a production report of completed and/or expected production, including pounds and dates, and (3) actual or expected shipment dates by Notice to Deliver (N/D) numbers (see Article 68 of USDA-1).

H. Buy American Certification

The fresh boneless beef must be of domestic origin as defined in section I.I. below. This provision is a deviation from the Buy American Act (48 C.F.R. part 25) and for the purposes of this Announcement supercedes Article 49 of USDA-1.

I. Domestic Products

All fresh boneless beef product to be used in fulfilling contracts awarded under this Announcement must be produced in the United States. United States produced (hereafter referred to as U.S.-produced) beef means manufactured from cattle raised in the U.S., its territories, possessions, Puerto Rico, or the Trust Territories of the Pacific Islands (hereinafter referred to as the United States). U.S. produced does not include imported beef or cattle imported for direct slaughter. If any beef or beef product originating from sources other than the U.S. are processed or handled, contractor will develop and maintain an identification and record system for these products to ensure they are segregated and not used to fulfill contracts awarded under this Announcement. Such segregation plan must be approved by the ARC Branch and made available to the ARC Branch auditor. The contractor will maintain records including, but not limited to, invoices, production and inventory records evidencing product origin, and will make such records available for review by the Government in accordance with Article 76 of USDA-1.

Prior to performance on USDA contracts or subcontracts, contractors and meat subcontractors must obtain approval of its domestic program and slaughter material requirements from the ARC Branch (see ARC Branch Instruction 1010--USDA Supplier Eligibility Program) for requesting reviews of these requirements.

Contractor agrees to include this domestic origin certification clause in its entirety in all subcontracts for meat or meat products used in fulfilling any contracts awarded under this Announcement and obtain certification from each meat or meat products subcontractor that (1) the subcontractor has been approved by the ARC Branch for compliance with domestic origin and slaughter requirements; (2) the subcontractor will deliver only meat or meat products originating from U.S.-produced livestock as defined herein; and (3) meat produced under their approved domestic and slaughter plan will be shipped in containers labeled as “Domestic Only Product” on the principle display panel.

J. Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity

1. If the Government receives information that a contractor or a person acting for the contractor has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the National Defense Authorization Act for Fiscal Year 1996 (P.L. 104-106), the Government may:

(a) Cancel the solicitation, if the contract has not yet been awarded or issued; or

(b) Rescind the contract with respect to which:

(i) The Contractor or someone acting for the Contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27(a) or (b) of the Act for the purpose of either (a) exchanging the information covered by such subsections for anything of value; or (b) obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

(ii) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the Contractor or someone acting for the Contractor has engaged in conduct constituting an offense punishable under subsection 27(e)(1) of the Act.

2. If the Government rescinds the contract under paragraph 1 of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.
3. The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

K. Service of Protest

1. Protests, as defined in 48 C.F.R. part 33.101, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be deemed served on the Contracting Officer by obtaining written and dated acknowledgment of receipt from the Contracting Officer designated in Section II.A.
2. A copy of any protest must be received by the Contracting Officer at the FAX or mailing address listed in Section II.A., within 1 business day of filing a protest with the GAO.

II. SUBMISSION OF OFFERS

A. Where and How to Submit Offers

All initial offers must be submitted by facsimile (FAX) through the number listed below: Please follow the formats provided in Exhibits D, E, and F for an example of how offers must be submitted.

Facilities for receiving offers by FAX are listed below.

FAX (202) 720-0949 (24 Hours)

Verification: **USDA-AMS-LS-CP Branch**

(202) 720-2650 (6:30 a.m. - 4:00 p.m., Central Time, Monday - Friday)

Faxed offers, modifications, or withdrawals of offers must be addressed as follows:

Contracting Officer
Livestock and Seed Program
Agricultural Marketing Service
U.S. Department of Agriculture
Room 2610-South Building
1400 Independence Avenue, SW
Washington, D.C. 20250
202-720-2650 (Verification of receipt from delivery service)

B. Where and When to Submit Offer

Offers, modifications, or withdrawals of offers must be submitted to the Contracting Officer, Livestock and Seed Program, Agricultural Marketing Service (AMS), U. S. Department of Agriculture, Washington, D.C. 20250.

Offers, modifications, or withdrawals of offers under this Announcement must be faxed to the AMS, LS, CP Branch not later than 1:30 p.m., Central Time, on the date specified in the initial Offer. If the planned bid date falls on a nonworkday for USDA employees in the District of Columbia, offers, modifications, or withdrawals are to be received by 1:30 p.m., Central Time on the next succeeding business day. Whether an offer, modification, or withdrawal is received within the time limitation will be determined by the last submission time electronically captured at the AMS, LS, CP Branch.

Offerors' index prices stated in the cost proposal shall be quoted on an f.o.b. destination basis and be in the format prescribed in Section II.E.

Offers may be withdrawn by written notice or FAX received at any time prior to bid opening. Offers may be withdrawn in person by an offeror or an authorized representative, if the representative's identity is made known and representative signs a receipt for the offer before award.

C. Delivery Periods

Product purchased under this Request for Proposal must be delivered in accordance within a 3-day delivery period identified in Exhibit G and subsequent delivery orders to be issued separately. Since this product is being delivered as fresh not frozen, it is imperative that the product is delivered to the further processor on the requested date. Once a delivery order has been placed on a contract, the processor will contact the supplier and arrange for a specific delivery date within the specified delivery period.

D. Purchase Units

The fresh, boneless beef will be purchased in increments of 40,000 pounds. An offeror must work with each processor for the delivery of the fresh boneless beef. Orders will be added to the existing contract based on a full delivery unit.

E. What to Submit

The proposal must be prepared in two parts: Part 1--offeror's technical proposal, and Part 2--cost proposal. The technical proposal must be submitted in the format described in Section I.G.5. and Part 1 below. The cost proposal must follow the format described in Part 2 below. Each part shall be separate and complete within itself. An offer must be deemed eligible by the Contracting Officer prior to submission of the cost proposals.

Part 1. The cover page of the **Technical Proposal** must include the following:

1. Identify submission as a technical proposal.
STATE: Technical Proposal for Announcement LS-11
2. Name and complete address and zip code of offeror
(include both street and mailing address if different), and return number of FAX

NOTE: If more than one return FAX number is listed, the first one will be used for any acceptance wires.

3. Name and street address including zip code of (a) final processing point and (b) shipping point.
If the shipping point is the same as the processing point, state "Same."
4. Name of contact person, the mailing address, and telephone number of the office to receive

shipping and delivery instructions.

5. **Signature and title** of the person submitting the offer on behalf of the offeror. The person submitting the offer must be an officer or representative of the contractor authorized to sign as evidenced by the SF-129 filed with the Contracting Officer.

Submission of Technical Proposal:

The following procedures establish the acceptable minimum requirements for the format and content of the proposals:

1. The Government has provided a technical proposal format which is to be used in preparing the technical proposal, (see **Exhibit D and E**, attached). The offeror shall submit technical proposals in both hard copies and an electronic format either on disk (3.5" diskette or CD) or e-mail. The technical proposal shall be saved in a portable document file format (PDF). This format and electronic form provided will aid in the evaluation of the technical proposal.
2. Offers must submit diskettes or CD in sealed disk mailers that have been signed by the same individual that signed the original paper copy of the technical proposal. Offerors submitting the electronic PDF format by e-mail must have it sent by the same individual signing the original paper copy of the technical proposal. By signing both the technical proposal and disk mailer, this individual will be attesting to the data in both formats being identical. The seals on this information will be broken by the Contracting Officer only. The technical proposal must be submitted by an authorized agent of the company as evidenced by the SF-129 on file with the Contracting Officer.
3. The Offeror will submit the appropriate number of copies as stated in the table below:

Description	Number of Hard Copies	Number of Diskettes/CD
Technical Proposal 1. 8 ½" x 11" White Paper; 2. One sided-Single spaced, 12 pt font; 3. Proposal to be provided in protected document holder; 4. Proposal submitted with all capital letters will be returned to Offeror without further review.	3 (Original + 2 copies)	1

4. While it is not the desire of the Government to penalize an Offeror for noncompliance with formatting instructions, technical evaluators may have difficulty grading the technical proposal to the fullest extent possible. Technical evaluators will not be required to search other subsections or sections of the Offeror's technical proposal for information requested for evaluation.

Note: All hard copies and diskettes/CD shall be mailed to the Contracting Officer at the address stated in Section II. A.

Technical Proposal Revisions

Changes to an offeror's technical proposal may be submitted based on the Government's Amendments, Clarification Request, pre-award and post-award assessments, or at the request of the Offeror. Maintenance of the integrity and clarity of each technical proposal is critical. All technical proposal revisions must meet the following criteria:

1. Any changes to the technical proposal made by the offeror after its initial submittal shall be accomplished by submitting replacement pages or an entire technical proposal package. A cover letter must be submitted with the changes identified and an explanation of the need for the change. The offeror shall include the revision date and the appropriate page number(s).
2. Must be submitted in the same number of copies as the initial technical proposal and must have the same information provided on revised diskettes/CDs. The revised diskettes/CDs should contain only the pages that are being changed. Additional pages should be numbered using a page number suffix (e.g. 1.1, 1.2, 1.a., 1.b).
3. Submit changes to the technical proposals as a complete page change for each page on which a change occurs. Changes from the original page shall be on blue colored paper and the changes in text shall be **highlighted** or **bolded** and deletions in ~~strikeout~~.

Part 3. **Cost Proposal** must include the following:

1. Identify submission as an offer in response to LS-11 and offeror's technical proposal.
STATE: Cost Proposal offer under Announcement LS-11
2. Name and complete address and zip code of Offeror (include both street and mailing address if different), and return number of FAX

NOTE: If more than one return FAX number is listed, the first one will be used for any acceptance wires.

3. A statement that the offer is made subject to Announcement LS-11; Appendix 1; Initial Offer No.__; Technical Requirements Schedule - BB-2004 dated May 2004; Company's Technical Proposal and Cost Proposal; USDA-1, Amendments 1, 2, 3, and 4, and the Federal Acquisition Regulations.

NOTE: If documents are subsequently amended, offers must reference such amendments.

4. Maximum quantity both in number of offer units and equivalent number of pounds for shipment that that the processor can reasonably deliver in the 3 day delivery period.
5. Offer prices shall be quoted as follows: (1) The index cost per pound for delivery of the fresh boneless beef to the processing facility and (2) transportation cost per pound delivered to the destinations or specific region in the initial offer.

NOTES: Quote only one index cost per pound delivered to the processing facility.

Offer price may be quoted up to four places to the right of the decimal point; any number past four decimal place will be dropped off.

6. Timely Performance Certification; answer (a), (b), or (c) as appropriate.

(a) The offeror and any of its subcontractors (HAVE) shipped all product required under

contracts or subcontracts with USDA that has a "Not-Later-Than" shipping date prior to this offer opening; OR

(b) The offeror and any of its subcontractors (HAVE NOT) shipped all product required under contracts with USDA that have "Not-Later-Than" shipping date prior to offer opening due to causes beyond their control and (HAVE) (HAVE NOT) notified the Contracting Officer; OR

(c) The offeror and any of its subcontractors currently (HAS) no contracts with USDA.

7. Solicitation Mailing List Application (SF-129) Certification.

The offeror (DOES) (DOES NOT) hereby certify that information previously submitted on SF-129 is accurate and is a part of this offer. The offeror also makes the certification of responsibility required by paragraph I. G. of Announcement LS-11.

8. Annual Representations, Certifications, and Warranties (Appendix-1).

(a) The offeror (DOES) (DOES NOT) certify that annual representations, certifications, and warranties dated _____ which are incorporated herein by reference as Appendix-1, have been submitted to the Contracting Officer issuing this solicitation and that Appendix-1 is current, accurate, and complete as of the date of this bid and are a part of this offer; and

(b) (HAS) (HAS NOT) submitted changes or additions to Appendix-1 with this offer.

NOTE: If Appendix-1 is subsequently amended, offeror must notify the Contracting Officer and submit the amended Appendix-1.

9. **Signature and title** of the person submitting the offer on behalf of the Offeror. The person submitting the offer must be an officer or representative of the contractor authorized to sign an offer as evidenced by the SF-129 filed with the Contracting Officer.

NOTE: **Exhibits D, E, and F** attached, shows how the technical and cost proposals may be submitted giving all essential details in the briefest possible manner using the above format.

III. DETERMINATION OF DESTINATION AWARDED CONTRACT PRICE AND AWARDING OF ADDITIONAL ORDERS

On a first of the month basis, USDA will conduct an analysis of offer prices based on the offerings under the Initial offer form to destinations scheduled for delivery. The contractor will have at least a 4 week production window prior to the start of the first delivery period, e.g. delivery orders for the fresh boneless beef scheduled for delivery during the 3-day delivery windows during the month of September 2004 will be added to the master contract by the first of August 2004.

The contract price for the delivery orders will be based on USDA, Market News National/Regional Weekly Boneless Processing Beef and Beef Trimmings-Negotiated Sales-FOB Plant - National (LM_XB460) posted 3:30 p.m. CST Friday. The meat cost will be calculated on a formula basis using 90 percent, 85 percent, and 50 percent lean beef trimmings. The formula used is: $0.5[(.875)(90 \text{ percent lean price per pound}) + (.125)(50 \text{ percent lean price per pound})] + 0.5(85 \text{ percent lean price per pound})$ and the awarded contractor's overage price plus transportation cost to the destination(s) scheduled for the specific delivery periods. The report is located at the following web address:

http://www.ams.usda.gov/mnreports/lm_xb460.txt

Once the contractor receives the revised contract with the additional delivery orders and has received the N/Ds for the destinations, they must work with the processor to schedule the delivery of the boneless beef within the awarded delivery period.

IV. ACCEPTANCE OF OFFERS

The USDA will award a contract(s) to the offeror(s) whose offer presents the best value and conforms to the RFP and the applicable delivery orders. USDA requires a minimum acceptance period of 7 calendar days from the initial acceptance of offers. Acceptance of offers will be made by FAX, filed at Washington, D.C., not later than midnight, Washington, D.C. time, **July 23, 2004**. The official time of award is the date and time stamped on the contract and/or delivery order faxed from the AMS, LS, and CP Branch. A notice of award will also be issued in the form of a Food Purchase Report (FPR) posted at the Department's Office of Information, News Division, after 1:00 p.m., **Central Time**, on the day of acceptance. Information on awards will be available by telephone to offerors and interested parties promptly following the posting of the FPR and electronically through **the Livestock and Seed Program, USDA, AMS Commodity Procurement Home Page** (see Notice attached). Inquiries may be made to a USDA-AMS Market News office or the Contracting Officer. Information on awards is also available.

Failure to accept an offer will constitute rejection. Filing of the acceptance wire as specified above will result in a binding contract without further action by either party. The actual time of award described herein deviates from 48 C.F.R. 14.408-1.

V. PROVISIONS OF CONTRACT

The contract consists of Announcement LS-11; the applicable request for offers, delivery order; TRS-BB dated May 2004; Company's Technical and Cost Proposal approved by the Contracting Officer, applicable ARC Branch Instruction, Contractor's SF-129 and Appendix 1; the acceptance by USDA; USDA-I, and the Federal Acquisition Regulations, 48 CFR Section 1 et seq. The following USDA-1 articles are excluded: Articles 34, 49, 50, 64(c), and all of Part E.

If the provisions of contract documents are not consistent, the following priority order will prevail: Offeror's Technical and Cost Proposal, approved by the Contracting Officer; Request for Offers, RFP, TRS-BB dated May 2004, Appendix-1, Federal Acquisition Regulations, and USDA-I.

VI. PRODUCT CHECKLIST OF REQUIREMENTS AND CERTIFICATION SERVICES

- A. Specifications for fresh boneless beef will be set forth in the TRS-BB. If documents are amended, appropriate amendments must be referenced.
- B. The Contracting Officer Technical Representative (COTR) reserves the right to verify all records regarding the production of the fresh boneless beef that is produced and delivered under the company's technical proposal.
- C. Questions concerning AMS auditors should be discussed with the ARC Branch in Washington, D.C., at (202) 690-0406
- D. Cost associated with laboratory analysis of boneless beef samples for microbial and fat content

requirements specified in TRS BB, dated May 2004 will be borne by AMS.

VII. LOSS DUE TO DETERIORATION OR SPOILAGE OR RECALL

A. Loss Due to Deterioration or Spoilage

The Contractor shall be held liable for losses due to deterioration or spoilage for which he or she is responsible, which are discovered within 2 days of the delivery date to USDA, in accordance with the provisions of Article 61 of USDA-1.

B. Liabilities Due to Product Recalled for Health or Safety Risk

In accordance with Article 60 of USDA-1, the Contractor shall be held liable for failure of the commodity to meet all of the contract and specifications requirements. In the event product is recalled due to a health or safety risk, the Contractor is responsible for removal and replacement of recalled products and reimbursement of State and local costs incurred as a result of the recall, as outlined in the Food and Nutrition Service's Commodity Holds and Recall Process (see below). These costs include, at a minimum, storage, transportation, processing, and distribution of the commodities.

If product under contract is delivered to a facility for further processing under contract with a State and the product is recalled, it will be handled in accordance with the Food and Nutrition Service's Commodity Holds and Recall Process. A copy of this report can be obtained at the following web address: <http://www.fns.usda.gov/fdd/foodsafety/hold-recallprocedures.pdf>

VIII. CONTRACTOR CERTIFICATE OF CONFORMANCE AND CHECKLOADING

The Contractor will not deliver product to the processing facility before receipt of delivery instructions from the Farm Service Agency (FSA) Kansas City Commodity Office (KCCO) and without a delivery date and time provided by the further processor.

Contractor will perform an examination of the fresh boneless beef at their facility and complete a Certificate of Conformance (COC), as described in Exhibit B, at the time of receipt and include with each shipment, a copy of the COC and the contractor's checkloading certificate that includes all of the following information:

1. Contract Number
2. Purchase Order Number
3. Name of product
4. Shipping Date/Delivery Date
5. Production lot number(s) and date each lot was produced
6. Number of combos and total projected net weight in each production lot. The delivery unit will be 40,000 pounds.
7. Identity of car or truck (car numbers and letters, seals, truck license, etc.) as applicable.
8. Count and projected net weight verified.
9. Signature of company official responsible for checkloading.

IX. SHIPMENT AND TRANSFER OF TITLE

A. Delivery Requirements

Delivery must be made in accordance with this Announcement, the applicable delivery order(s), Articles 56 and 64 (b) of USDA-I, and the Notice-to-Deliver (Form KC-269) issued by KCCO. The contractor must closely follow delivery notification instructions contained in the N/D. Such notification of delivery is vital to proper execution of shipment, particularly in cases of minimal transit time.

The contractor must notify the appropriate further processor prior to shipment and delivery of the boneless beef. For truck shipment, notification of the estimated arrival time should be made as far in advance of delivery as possible.

A. Tolerances

No tolerance will be allowed.

B. Transfer of Title

Title and risk of loss will pass to USDA on the date of receipt of the product at the destination specified in the contract, as evidenced by suitable dated documentation such as the consignee's receipt, warehouse receipt, dock receipt, or other similar signed and dated document evidencing delivery. The contractor is responsible for any shortage or damages as evidenced by the consignee's receipt, FNS-57 report, or other commercial receipt evidencing delivery of product.

X. LIQUIDATED DAMAGES

A. Compensation to Contractor for Late Mailing of Notice-to-Deliver

Liquidated damages for delay in delivery due to late mailing of N/D by KCCO will be payable in accordance with Article 65 of USDA-I and will be at the rate of 25 cents per hundredweight net per calendar day.

B. Compensation to USDA for Delays in Delivery

Timely delivery is important to assure the fresh boneless beef is delivered to the processor in order for them to meet the delivery of products under the Federal food and nutrition programs and for the efficient and proper administration of these programs. Liquidated damages for **delay in delivery** are payable at the rate of 25 cents per hundredweight net per day in accordance with Article 67 of USDA-I. For purposes of assessing liquidated damages for **delay in delivery**, the date the product was accepted at the processor facility or storage warehouse will be used as the final date of delivery.

XI. INVOICES AND PAYMENT

A. Delivery Period

Invoicing and payment will be handled in accordance with Article 70 of USDA-1. A properly prepared invoice consists of the following:

1. Contractor Checkloading

- (1) Invoicing as provided for on the N/D (Form KC-269) or commercial invoice form;
- (2) Copy of the Contractor's Certificate of Conformance;
- (3) Original of Contractor's checkloading certificate issued at time of shipment; and
- (4) Commercial bill of lading or other commercial receipt signed by recipient agent evidencing date of delivery and quantity of product received.

If a commercial bill of lading signed by carrier's agent is not issued, the invoice package must include a **warehouse receipt** signed by recipient agent evidencing date of delivery and quantity of product received.

B. Invoice Mailing and Interest

The invoice package must be mailed or delivered to Kansas City Management Office (KCMO) at the address listed in Section XII of this Announcement. The outside of the package should be marked:

**"Prompt Pay Provisions Apply--Meat Product
Attn: Vendor Invoice Payment Section."**

Interest will be paid in accordance with the provisions of the Prompt Payment Act, 31 USC 3901 et seq., if payment is made beyond the seventh day after the date of delivery. For payment purposes, the date of delivery will be the receipt date by KCMO of a properly prepared invoice.

C. Electronic Payment

USDA payments may be made directly to a financial banking institution. To receive payments electronically, complete the Attached Form SF-3881, ACH Vendor Payment Enrollment Form and submit to the Kansas City Management Office, Commodity Financial Operations Division, Inventory Control Branch; Telephone 816/926-6988 or access the form via the Internet at: <https://pcsd.usda.gov:3076/finance/>.

USDA will no longer issue a paper copy of the disbursement statement. Please complete the attached address information form which identifies payment disbursement statement address as well as other needed information.

XII. INQUIRIES

Inquiries pertaining to this solicitation and applicable documents should be directed to the:

Contracting Officer
Livestock and Seed Program
USDA, AMS, Room 2610-S
Stop 0253; 1400 Independence Avenue
Washington, D.C. 20250-0253
Telephone: 202/720-2650

Inquiries concerning **shipping instructions** should be directed to:

Director, Kansas City Commodity Office (KCCO)
Farm Service Agency
U.S. Department of Agriculture
P.O. Box 419205
Kansas City, MO 64141-6205

Telephone: 816/926-6062

Inquiries concerning **payments** should be directed to:

Director, Kansas City Management Office (KCMO)
Farm Service Agency
U.S. Department of Agriculture
P.O. Box 419205
Kansas City, MO 64141-6205

Telephone: 816/926-6205

William T. Sessions (5/21/04)
Associate Deputy Administrator
Livestock and Seed Program
Agricultural Marketing Service

Attachments

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (VOICE or TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW., Washington, DC 20250-9410 or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer."

ANNOUNCEMENT LS-11

EXHIBIT A



United States
Department of
Agriculture

Agricultural
Marketing
Service

STOP 0253-Room 2610-S
1400 Independence Ave. S.W.
Washington, DC 20250-0253

Date Issued: May 3, 2004

FRESH BONELESS BEEF, ANNOUNCEMENT LS-11, Initial Offer No. 001:

The U.S. Department of Agriculture (USDA) invites offers subject to the terms and conditions of Announcement LS-11 to sell fresh boneless beef under an Indefinite Delivery-Indefinite Quantity Contract, for further processing into products that are distributed to participants in the National School Lunch Program. For the period August 1, 2004 through June 30, 2005, USDA may purchase a minimum of 40,000 pounds (one truck) and a maximum total of 18,560,000 pounds (464 trucks). ***Quantities listed are estimates and subject to adjustment based on offerings, changes in recipient needs, market conditions, and program operations.*** USDA will award contract(s) resulting from this initial offer to responsible bidder(s) whose offers are most advantageous to the Government in terms of the lowest overall cost. **In order for a company to submit an offer, they must be deemed eligible by the Contracting Officer.**

Fresh Boneless Beef:

Pack Size: Approximately 2000 pound container

Delivery Period	Minimum Qty.	Maximum Qty.
9/6-9/08	40,000	800,000
9/8-10	40,000	1,200,000
9/13-15	40,000	880,000
9/15-17	40,000	1,000,000
9/20-22	40,000	1,200,000
9/22-24	40,000	1,200,000
9/27-29	40,000	1,000,000
9/29-10/1	40,000	1,200,000
10/4-10/6	40,000	800,000
10/6-8	40,000	1,000,000
10/11-13	40,000	1,200,000
10/13-15	40,000	1,000,000
10/18-20	40,000	800,000

Offers are due not later than 1:30 PM CENTRAL TIME July 23, 2004. USDA will accept offers by midnight, Washington, DC time on July 30, 2004.

Contracting Officer
Livestock and Seed Program

**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
LIVESTOCK AND SEED PROGRAM**

**CERTIFICATE OF CONFORMANCE FOR
THE PROCUREMENT OF FRESH BONELESS BEEF**

CERTIFICATE OF CONFORMANCE

I certify the following:


- (1) On [shipping date], [Contractor's name] furnished the fresh boneless beef called for by Contract Number _____ via [Carrier] under Notice-to-Deliver Number _____.
- (2) The fresh boneless beef is of the quality specified and conforms in all respects with the contract requirements, including [Contractor's name] Technical Proposal as approved by the AMS/LS, Commodity Procurement Branch, Contracting Officer.
- (3) Product identification, (i.e. lot number(s)) is in the quantity shown on the attached acceptance document.
- (4) Contractor assures all meat or meat products used in fulfilling this contract was produced in the United States as defined in the Request for Proposal, Announcement LS 11, section I.I.

Date:

Signature:

(Signed by an officer or representative authorized to sign offers on the current SF-129)

Title:

SOLICITATION MAILING LIST APPLICATION				1. TYPE OF APPLICATION <input checked="" type="checkbox"/> INITIAL <input type="checkbox"/> REVISION		2. DATE 8/26/98		OMB No.: 9000-0002 Expires: 10/31/97		
NOTE: Please complete all items on this form. Insert N/A in items not applicable. See reverse for instruction. Public reporting burden for this collection of information is estimated to average .68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.										
3. SUBMIT TO	a. FEDERAL AGENCY'S NAME USDA, AMS, Livestock and Seed Program				b. NAME Lakeshore Meat FI No. 7999 TIN No 9734565837					
	b. STREET ADDRESS Room 2610-South, P.O. Box 96456				b. STREET ADDRESS 1275 Corwith Avenue			c. COUNTY EI 197643		
	c. CITY Washington		d. STATE DC		e. ZIP CODE 20090-6456		d. CITY Calumet		e. STATE IL	
							e. ZIP CODE 67345			
5. TYPE OF ORGANIZATION (Check one)					6. ADDRESS TO WHICH SOLICITATIONS ARE TO BE MAILED (If different than Item 4)					
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> NON-PROFIT ORGANIZATION <input type="checkbox"/> PARTNERSHIP <input checked="" type="checkbox"/> CORPORATION, INCORPORATED UNDER THE LAWS OF THE STATE OF: Illinois					a. STREET ADDRESS Same as #4 b. COUNTY c. CITY d. STATE e. ZIP CODE					
7. NAMES OF OFFICERS, OWNERS, OR PARTNERS										
a. PRESIDENT George Coates				b. VICE PRESIDENT Martha Jersild			c. SECRETARY Robert Olson			
d. TREASURER Walter Schnaak				e. OWNERS OR PARTNERS Shareholders of the Corporation						
8. AFFILIATES OF APPLICANT										
NAME Broadview Foods, TIN No. XXXXXXXXXX FI No. 321			LOCATION 7893 Dolton Ave., Highland, IL 67347				NATURE OF AFFILIATION Parent Company			
9. PERSONS AUTHORIZED TO SIGN OFFERS AND CONTRACTS IN YOUR NAME (Indicate if agent)										
NAME			OFFICIAL CAPACITY				TELEPHONE NUMBER			
							AREA CODE			
Edgar Kauffman			Sales Manager				611 796-1992			
Andrew Terrill			Production Manager				611 796-1992			
10. IDENTIFY EQUIPMENT, SUPPLIES, AND/OR SERVICES ON WHICH YOU DESIRE TO MAKE AN OFFER (See attached Federal Agency's supplemental listing and instruction, if any)										
Commodity: Cooked Beef Roast Current Weekly Prod. 400,000 Additional Capacity 200,000 % available for USDA Contracts 30%										
11a. SIZE OF BUSINESS (See definitions on reverse)			11b. AVERAGE NUMBER OF EMPLOYEES (Including affiliates) FOR FOUR PRECEDING CALENDAR QUARTERS			11c. AVERAGE ANNUAL SALES OR RECEIPTS FOR PRECEDING THREE FISCAL YEARS				
<input checked="" type="checkbox"/> SMALL BUSINESS (If checked, complete items 11b and 11c) <input type="checkbox"/> OTHER THAN SMALL BUSINESS			125			\$ 29,456,000.00				
12. TYPE OF OWNERSHIP (See definitions on reverse) (Not applicable for other than small businesses)			13. TYPE OF BUSINESS (See definitions on reverse)							
<input type="checkbox"/> DISADVANTAGED BUSINESS <input type="checkbox"/> WOMAN-OWNED BUSINESS			<input checked="" type="checkbox"/> MANUFACTURER OR PRODUCER <input type="checkbox"/> CONSTRUCTION CONCERN <input type="checkbox"/> SURPLUS DEALER <input type="checkbox"/> SERVICE ESTABLISHMENT <input type="checkbox"/> RESEARCH AND DEVELOPMENT							
14. DUNS NO. (If available) 02-787396					15. HOW LONG IN PRESENT BUSINESS? 68 years					
16. FLOORSPACE (Square Feet/M ²)					17. NET WORTH					
a. MANUFACTURING 44,000		b. WAREHOUSE 150,000 * See Below			a. DATE December 31, 1997		b. AMOUNT \$ 7,537,662.89			
18. SECURITY CLEARANCE (If applicable, check highest clearance authorized)										
FOR		TOP SECRET		SECRET		CONFIDENTIAL		c. NAMES OF AGENCIES GRANTING SECURITY CLEARANCES		
a. KEY PERSONNEL								d. DATES GRANTED		
b. PLANT ONLY										
The information supplied herein (including all pages attached) is correct and neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is now debarred or otherwise declared ineligible by any agency of the Federal Government from making offers for furnishing materials, supplies, or services to the Government or any agency thereof.										
19a. NAME OF PERSON AUTHORIZED TO SIGN (Type or print) George Coates					20. SIGNATURE 			21. DATE SIGNED 08/26/98		
19b. TITLE OF PERSON AUTHORIZED TO SIGN (Type or print) President										

 AUTHORIZED FOR LOCAL REPRODUCTION
 Previous edition not usable

 * Robertson Bonded Warehouse
 834 Bellwood Avenue
 Irondale, IL 59571

 STANDARD FORM 129 (REV. 12-98)
 Prescribed by GSA - FAR (48 CFR) 53.214(a)

INSTRUCTIONS

Persons or concerns wishing to be added to a particular agency's bidder's mailing list for supplies or services shall file this properly completed Solicitation Mailing List Application, together with such other lists as may be attached to this application form, with each procurement office of the Federal agency with which they desire to do business. If a Federal agency has attached a Supplemental Commodity list with instructions, complete the application as instructed. Otherwise, identify in Item 10 the equipment, supplies, and/or services on which you desire to bid. (Provide Federal Supply Class or Standard Industrial Classification codes, if available.) The application shall be submitted and signed by the principal as distinguished from an agent, however constituted.

After placement on the bidder's mailing list of an agency, your failure to respond (submission of bid, or notice in writing, that you are unable to bid on that particular transaction but wish to remain on the active bidder's mailing list for that particular item) to solicitations will be understood by the agency to indicate lack of interest and concurrence in the removal of your name from the purchasing activity's solicitation mailing for items concerned.

SIZE OF BUSINESS DEFINITIONS

(See Item 11A.)

a. Small business concern - A small business concern for the purpose of Government procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operation in which it is competing for Government contracts, and can further qualify under the criteria concerning number of employees, average annual receipts, or the other criteria, as prescribed by the Small Business Administration. (See Code of Federal Regulations, Title 13, Part 121, as amended, which contains detailed industry definitions and related procedures.)

b. Affiliates - Business concerns are affiliates of each other when either directly or indirectly (i) one concern controls or has the power to control the other, or (ii) a third party controls or has the power to control both. In determining whether concerns are independently owned and operated and whether or not affiliation exists, consideration is given to all appropriate factors including common ownership, common management, and contractual relationship. (See Items 8 and 11A.)

c. Number of employees - (Item 11B) In connection with the determination of small business status, "number of employees" means the average employment of any concern, including the employees of its domestic and foreign affiliates, based on the number of persons employed on a full-time, part-time, temporary or other basis during each of the pay periods of the preceding 12 months. If a concern has not been in existence for 12 months, "number of employees" means the average employment of such concern and its affiliates during the period that such concern has been in existence based on the number of persons employed during each of the pay periods of the period that such concern has been in business.

TYPE OF OWNERSHIP DEFINITIONS

(See Item 12.)

a. "Disadvantaged business concern" - means any business concern (1) which is at least 51 percent owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and (2) whose management and daily business operations are controlled by one or more of such individuals.

b. "Women-owned business" - means a business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

TYPE OF BUSINESS DEFINITIONS

(See Item 13.)

a. "Manufacturer or producer" - means a person (or concern) owning, operating, or maintaining a store, warehouse, or other establishment that produces, on the premises, the materials, supplies, articles or equipment of the general character of those listed in Item 10, or in the Federal Agency's Supplemental Commodity List, if attached.

b. "Service establishment" - means a concern (or person) which owns, operates, or maintains any type of business which is principally engaged in the furnishing of nonpersonal services, such as (but not limited to) repairing, cleaning, redecorating, or rental of personal property, including the furnishing of necessary repair parts or other supplies as a part of the services performed.

- **COMMERCE BUSINESS DAILY** - The Commerce Business Daily, published by the Department of Commerce, contains information concerning proposed procurements, sales, and contract awards. For further information concerning this publication, contact your local Commerce Field Office.

SAMPLE OFFER WIRE OR LETTER
Part 1-TECHNICAL PROPOSAL
(FRESH BONELESS BEEF)

The following example shows how offer wires or letters may be submitted giving all essential details in the briefest possible manner. Basic to this procedure is a number identification with each line item of information required in the offer.

Address to: Contracting Officer
USDA, AMS, LSP, CPB
STOP 0253, Room 2610-S
1400 Independence Ave, S.W.
Washington, D.C. 20250

1. Technical Proposal for Announcement LS-11
2. John Jones Packing Co. FAX No. 302-457-3215
22 Main Street TELEX No. 348-112
(P.O. Box 123)
Berwyn, Maine 55507
3. (a) Jones' Meat Packers (b) Same
224 Main Street
Berwyn, Maine 55501
Telephone 705/342-1212
4. Bill Jones
Jones Meat Packers
224 Main Street
Berwyn, Maine 55501
Telephone 705/342-1212

5. Edgar Kauffman, Sales Manager¹

¹ Must be an officer or representative authorized to sign offers on the current SF-129 filed with the Contracting Officer. Offers submitted by FAX, mail, or hand delivered must be signed.

[Company Name]

[Company Address]

[Company Phone Number]

[Company FAX Number]

[Company Representative]

Technical Proposal for: [Announcement Number] and [Specification]

Table of Contents (all pages and attachments must be numbered and identified--any attachments must be identified and referenced in the Technical Proposal.

The technical proposal should include all phases of production that meets or exceeds the requirements stated in the specification to produce complying product.

I. SCOPE

Brief description of what the company plans to do to meet the requirements stated in the applicable specification (including the applicable documents).

II. APPLICABLE DOCUMENTS

III. CHECKLIST OF REQUIREMENTS

The contractor's technical proposal must describe a process plan with a documented quality control program that includes procedures, records, forms, etc. that demonstrate conformance with the following Checklist of requirements.

A. MATERIAL REQUIREMENTS FOR FRESH-CHILLED BONELESS BEEF - Please provide a brief description of the planning, production steps (do), check and corrective/preventative (act) measures that the company will do to assure compliance with the material section of the specification.

1. Domestic Origin and Harvest (Slaughter) Requirements (plan, do, check, act)

- a) Domestic Origin
- b) Humane Handling
- c) Non-Ambulatory Disabled Cattle
- d) Spinal Cord Removal
- e) Pathogen Intervention
- f) Carcass Testing

2. Boneless Beef Requirements (plan, do, check, act)

- a) Lot
- b) Traceability
- c) Handling
- d) Objectionable Materials
 - (1) White fibrous
 - (2) Yellow elastin
- e) Microbial Testing

- (1) Sample Preparation
- (2) Testing and Results
- (3) Requirements

B. STATE OF REFRIGERATION - Please provide a brief description of the planning, production steps (do), check and corrective/preventative (act) measures that the company will do to assure compliance with the State of Refrigeration section of the specification.

C. FAT LIMITATIONS - Please provide a brief description of the planning, production steps (do), check and corrective/preventative (act) measures that the company will do to assure compliance with the Fat Limitations section of the specification.

1. Requirements (plan, do, check, act)
2. Process Capability (plan, do, check, act)
3. Documentation (plan, do, check, act)
 - a) Lot size, number of samples, selection and preparation procedures,
 - b) The laboratory and a test method,
 - c) Data management and storage of fat results,
 - d) Statistical Process Control (SPC) charting methods which will include a process capability report (histogram) that is capable of calculating a Cpk value (see exhibit A).
4. Assessment by AMS - AMS reserves the right to:
 - a) check production records of the recipient where the contractor's boneless beef is further processed.
 - b) select and analyze samples at the further processor. The results may be used by the contracting officer as a "check" to determine if fat content is in compliance with the fat limitation requirements.
 - c) deem a supplier as unreliable for failure to comply with the above requirements.

D. PACKAGING AND PACKING - Please provide a brief description of the planning, production steps (do), check and corrective/preventative (act) measures that the company will do to assure compliance with the Packaging and Packing section of the specification.

1. Packaging and Packing (plan, do, check, act)
2. Net Weight (plan, do, check, act)
3. Marking of Containers (plan, do, check, act)
 - a) "Complies with TRS – BB 2004 - Boneless Beef for Further Processing":
 - b) A code number that will indicate traceability to production lot and date.
 - c) USDA Shield (at least 2 inches high).
 - d) Contract Number.
 - e) Fat Declaration.
 - f) Product code - A704

All labeling shall be illustrated in the Contractor's technical proposal.

IV. CONTROL OF NON-CONFORMING PRODUCT - Please provide a brief description of the planning, production steps (do), check and corrective/preventative (act) measures that the company will do to assure compliance with the Control of Non-conforming Product section of the specification.

The contractor must have documented procedures that assure non-conforming product is identified and controlled to prevent unintended use or delivery to USDA.

V. QUALITY ASSURANCE - Please provide a brief description of the planning, production steps (do), check and corrective/preventative (act) measures that the company will do to assure compliance with the Quality Assurance section of the specification.

A. Warranty and Complaint Resolution - (plan, do, check, act)

1. Warranty (plan, do, check, act)
2. Complaint Resolution (plan, do, check, act)

B. Checkloading – Invoice for payment must be supported by: (Plan, do, check, act)

1. a recipient's signature on the bill of lading;
2. a consignee's receipt evidencing date shipped and received; or
3. other commercial receipt evidencing delivery of the product.

Attachments or Appendixes

Please attach all referenced documents with the applicable document name and reference number.

Please provide an example of the Statistical Process Control Charts and Histograms that the supplier intends to utilize in the production process.

ANNOUNCEMENT LS-11**EXHIBIT F**

**SAMPLE OFFER WIRE OR LETTER
Part 2-COST PROPOSAL
(FRESH BONELESS BEEF)**

The following example shows how offer wires or letters may be submitted giving all essential details in the briefest possible manner. Basic to this procedure is a number identification with each line item of information required in the offer.

Address to: Contracting Officer,
USDA, AMS, LSP, CPB
STOP 0253, Room 2610-S
1400 Independence Ave. S.W.
Washington, D.C. 20250

1. Cost Proposal for Announcement LS-11
2. John Jones Packing Co. FAX No. 302-457-3215
22 Main Street TELEX No. 348-112
(P.O. Box 123)
Berwyn, Maine 55507
3. The offer is made subject to Announcement LS-11; Appendix 1; Initial offer No. ; Technical Requirements Schedule - BB-2004 dated May 2004; Company's accepted Technical and Cost Proposal; USDA-1 Revision 2, and Amendments 1 (October 1990), 2 (November 1990), 3, and 4¹, and the Federal Acquisition Regulations (FAR) at 48 CFR Sec. 1 et seq.
4. Maximum quantity both in number of offer units and equivalent number of pounds that can be delivered for each 3 day delivery period.

5.

Shipping Period	Destination/Region	Index Price (overage over market price)	Transportation cost to destination or region ² .
September 6-8	Cincinnati, OH	\$0.0205 per pound	\$0.0175 per pound

6. c. HAS
7. DOES
8. a. DOES , dated June 1, 2004, as amended July 1, 2004
b. HAS NOT

9. Edgar Kauffman, Sales Manager³

- ¹ If either the Announcement, RFP, Supplement, Commercial Item Description, Appendix 1, USDA-1 or FAR is subsequently amended, show appropriate amendment numbers.
- ² Price includes delivery to recipient's processing facility listed in Exhibit A of this Announcement (LS-11)
- ³ Must be an officer or representative authorized to sign offers on the current SF-129 filed with the Contracting Officer. Offers submitted by facsimile (telecopier), mail, or hand delivered must be signed.

Sample of Planned Delivery Periods and Destinations
For Delivery of Boneless Beef for Further Processing
School Year 2004-2005

Date for the award of additional orders	Delivery Period	Destinations
July 30, 2004	September 6-8, 2004	Cincinnati, OH Harrison, OH Cedartown, GA Mercedes, TX Grand Prairie, TX Los Angeles, CA Enid, OK
	September 8-10, 2004	Cincinnati, OH Harrison, OH Cedartown, GA Mercedes, TX Grand Prairie, TX Los Angeles, CA Enid, OK
	September 13-15, 2004	Cincinnati, OH Harrison, OH Cedartown, GA Mercedes, TX Grand Prairie, TX Los Angeles, CA Enid, OK
	September 15-17, 2004	Cincinnati, OH Harrison, OH Cedartown, GA Mercedes, TX Grand Prairie, TX Los Angeles, CA Enid, OK
	September 20-22, 2004	Cincinnati, OH Harrison, OH Cedartown, GA Mercedes, TX Grand Prairie, TX Los Angeles, CA Enid, OK

APPROVED



UNITED STATES
DEPARTMENT OF
AGRICULTURE

AGRICULTURAL
MARKETING
SERVICE

LIVESTOCK AND
SEED PROGRAM

Washington, D.C.
20250-0254

TECHNICAL

REQUIREMENTS

SCHEDULE – BB - 2004

FOR USDA PURCHASES OF

**FRESH-CHILLED BONELESS BEEF
FOR FURTHER PROCESSING**

**EFFECTIVE:
MAY 2004**

Preparing Activity:
USDA, AMS, LS, STDZ--Rm. 2603-S
Supersedes TRS-BB-April 2004

May 21, 2004
LS-SB-TRS-BB-04-R2-SCO

I. SCOPE

This Technical Requirements Schedule (TRS)–BB–2004 is for use by a contractor of the United States Department of Agriculture (USDA), Agricultural Marketing Service (AMS), Livestock and Seed Program (LS) to deliver fresh-chilled (never previously frozen) boneless beef for further processing.

II. APPLICABLE DOCUMENTS

The Audit Review and Compliance (ARC) Branch Procedures, Series 1000.

III. CHECKLIST OF REQUIREMENTS

The contractor's technical proposal must describe a process plan with a documented quality control program that includes procedures, records, forms, etc. that demonstrate conformance with the following Checklist of requirements.

A. MATERIAL REQUIREMENTS FOR FRESH-CHILLED BONELESS BEEF

1. Domestic Origin and Harvest (Slaughter) Requirements – Boneless beef shall be derived from cattle harvested at facilities that comply with the following origin and harvest requirements. These requirements will be verified in accordance with ARC 1010 Procedure, USDA Supplier Eligibility Programs (<http://www.ams.usda.gov/lsg/arc/dovp.htm>).
 - a) Domestic Origin - All beef will originate from U.S. produced livestock.
 - b) Humane Handling - All cattle shall be humanely handled in accordance with all applicable FSIS regulations, directives, and notices.
 - c) Non-Ambulatory Disabled Cattle – Meat from carcasses of non-ambulatory disabled cattle will not be included in USDA purchased boneless beef for further processing.
 - d) Spinal Cord Removal – Remove all spinal cord tissue during the harvesting process.
 - e) Pathogen Intervention - Include at least two pathogen intervention steps. One of the intervention steps shall be steam pasteurization, an organic acid rinse, or a 180°F hot water wash and must be a critical control point (CCP) in their FSIS recognized slaughter process Hazard Analysis Critical Control Point (HACCP) plan.
 - f) Carcass Testing - Routinely test carcasses for *E. coli* O157:H7 at CCP to verify effectiveness of interventions, as provided in Section VI. B. 3 of FSIS Directive 10,010.1 dated 2-1-98.
2. Boneless Beef Requirements
 - a) Lot – For the purpose of this section, a lot shall consist of boneless beef produced between “clean-ups” and that is from a single slaughterer or from a single processor.
 - b) Traceability - Contractors are responsible for providing traceability of boneless beef that is derived from approved sources that comply with the above domestic origin and slaughterer requirements. They must have documentation and a program in place that verifies the source of raw materials used in each lot of product.

- c) Handling - All boneless beef must be maintained in excellent condition. The contractor's technical proposal shall include detailed production scheduling that addresses time and temperature controls necessary to maintain excellent condition of the boneless beef.
- d) Objectionable Materials - The processor must assure the removal of major lymph glands (prefemoral, popliteal, and prescapular), bone, cartilage, *sciatic (ischiatric)* nerve (from the round), internal fat (kidney, pelvic, and heart fat) and the following heavy connective tissues:
 - (1) White fibrous – Shoulder tendon, elbow tendon, silver skin from the outside round, *sacrociatic* ligament, opaque *periosteum*, *serous* membrane (*peritoneum*), tendinous ends of shanks, *gracilis* membrane (from the inside round), and *achilles* tendon.
 - (2) Yellow elastin – Back strap and *abdominal tunic*.
- e) Microbial Testing – All lots of fresh chilled boneless beef must be tested for all microbes listed in Appendix B. For this section, all samples will be sent to an AMS designated laboratory (ADL).
 - (1) Sample Preparation – From each lot, a composite sample will be prepared from at least 4 randomly selected samples (of approximately equal size) of boneless beef. The samples shall be ground/chopped and blended together. From the mixture, a single sample to be submitted for analysis and a reserve sample shall be drawn. The ADL will be responsible for supplying all materials, protocol and methods (including sample size, handling of reserve samples, etc.) for sample preparation and submission. Alternative sample preparation procedures, including lot size designation, will be considered within the technical proposal provided there is assurance that all specification requirements are met.
 - (2) Testing and Results - The sample will be analyzed by the AMS designated laboratory for microbial levels listed in Appendix B. The laboratory will provide the results to the contractor and AMS on control charts and histograms for each microbial test (as illustrated in Appendix A). The control charts and histograms will be maintained so that capability may be determined according to the requirements within Appendix B.
 - (3) Requirements – The capability of a boneless beef supplier to comply with microbial requirements will be based on assessment of control charts and histograms. Test results will be monitored by the contractor and AMS to determine process capability according to Appendix B. The contractor will inform the AMS of any rejections and changes in process assessment status as described in Appendix B. Ineligible boneless beef suppliers may petition AMS to reenter the program provided corrective actions have been implemented, proven effective, and a satisfactory onsite assessment audit received from AMS.

B. STATE OF REFRIGERATION

Fresh-chilled boneless beef shall be maintained and delivered at a temperature not to exceed 40°F.

C. FAT LIMITATIONS

1. Requirements - The contractor will establish a target average of 15 percent fat of all boneless beef destined for all USDA destinations. The upper and lower specifications limits will be 18.0 and 12.0 percent fat respectively. Production lots with average fat results that are not within the upper and lower specification limits will not be shipped to USDA.
2. Process Capability -The processors capability (Cpk) value shall be 1 or higher when the average results from twenty consecutive production lots (which always will include the last production lot) are calculated.
3. Documentation - The contractor shall declare within their technical proposal:
 - a) Lot size, number of samples, selection and preparation procedures,
 - b) The laboratory and a test method,
 - c) Data management and storage of fat results,
 - d) Statistical Process Control (SPC) charting methods which will include a process capability report (histogram) that is capable of calculating a Cpk value (see exhibit A).
4. Assessment by AMS - AMS reserves the right to:
 - a) check production records of the recipient where the contractor's boneless beef is further processed.
 - b) select and analyze samples at the further processor. The results may be used by the contracting officer as a "check" to determine if fat content is in compliance with the fat limitation requirements.
 - c) deem a supplier as unreliable for failure to comply with the above requirements.

D. PACKAGING AND PACKING

The contractor's technical proposal and process will assure that all packaging, packing, closure, marking and palletization comply with the National Motor Freight Regulations and FSIS regulations and the requirements listed below. The contractor also must have procedures for verifying the net weight of shipping containers.

1. Packaging and Packing – The contractor shall bulk package the boneless beef within lined "combo bins" in such a manner to maintain the product in excellent condition. The combo bins of boneless beef shall be sealed so that the container is tamper proof and arrives at the destination intact.
2. Net Weight – The contractor shall have procedures that accurately determines the net weight of the boneless beef. Each filled combo bin shall weigh from 1850 to 2250 pounds. AMS reserves the right to perform net weight examinations at destination.

3. Marking of Containers – All shipping container markings shall include all information required by FSIS regulations and the following information:
 - a) “Complies with TRS – BB 2004 - Boneless Beef for Further Processing”:
 - b) A code number that will indicate traceability to production lot and date.
 - c) USDA Shield (at least 2 inches high).
 - d) Contract Number.
 - e) Fat Declaration.
 - f) Product code - A704

All labeling shall be illustrated in the Contractor’s technical proposal.

4. Total net weights per delivery unit - The delivery unit will be 40,000 pounds.

IV. CONTROL OF NON-CONFORMING PRODUCT

The contractor must have documented procedures that assure non-conforming product is identified and controlled to prevent unintended use or delivery to USDA.

V. QUALITY ASSURANCE

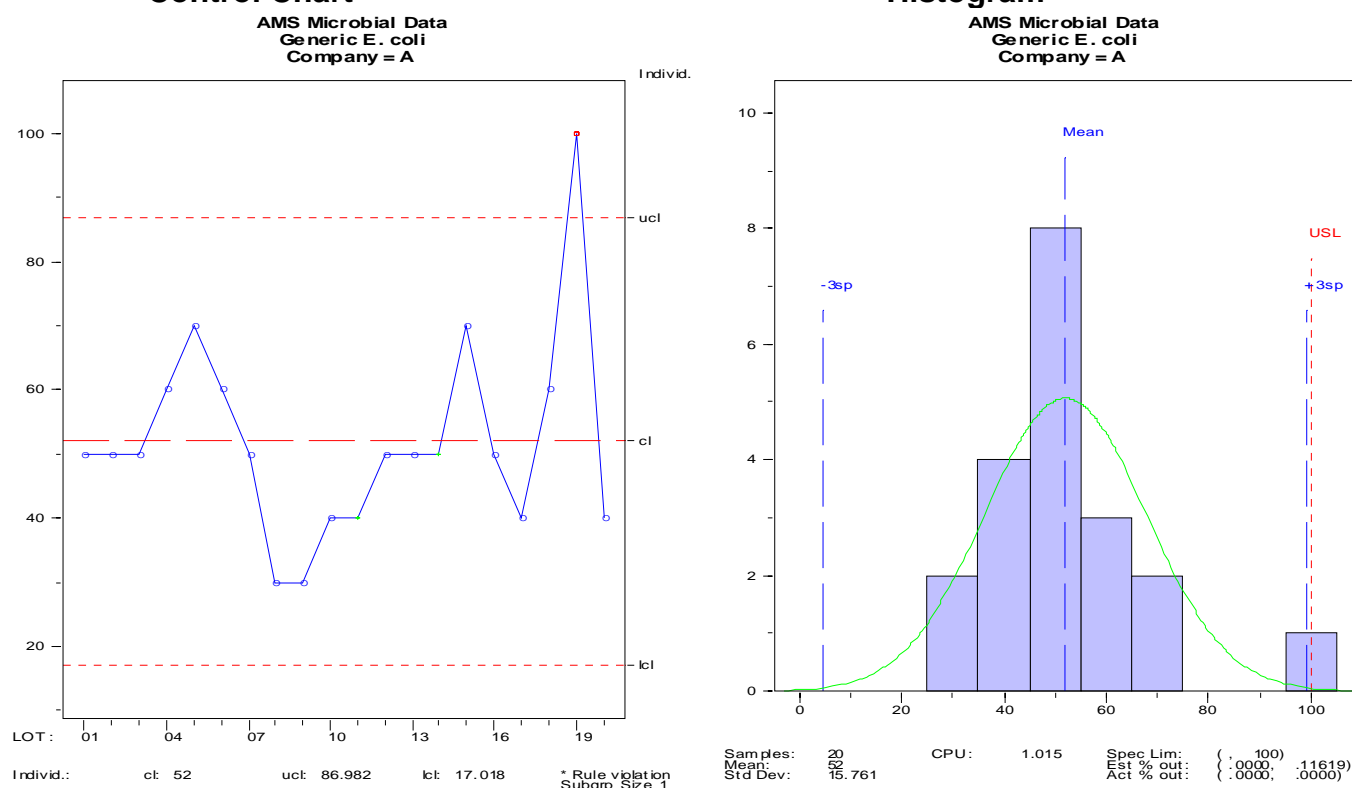
A. Warranty and Complaint Resolution -

1. Warranty – The contractor will warrant that the product complies with all specification requirements, technical proposal declarations, and provisions set forth in Announcement LS-11.
2. Complaint Resolution – Customer complaint resolution procedures shall be included in the technical proposal. These procedures shall include: a point of contact, investigation steps, intent to cooperate with AMS, and product replacement or monetary compensation. The procedures will be used to resolve product complaints from recipient agencies or AMS.

B. Checkloading – Invoice for payment must be supported by:

1. a recipient's signature on the bill of lading;
2. a consignee's receipt evidencing date shipped and received; or
3. other commercial receipt evidencing delivery of the product.

APPENDIX A

Example Statistical Process Control Charts and Histograms
Control Chart Histogram

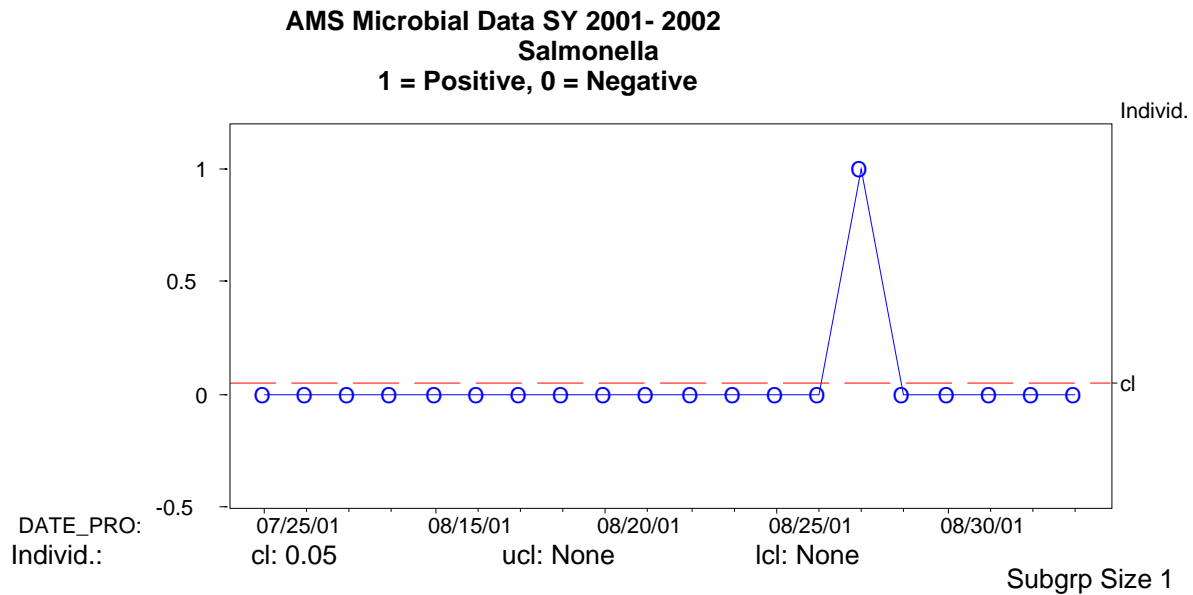
The above control chart and histogram are examples for illustrative purposes.

The control chart will have statistically derived upper control limits (ucl) and lower control limits (lcl) (+/- 3 times the standard deviation of the process average), and the central line (cl) value (process average, mean or x-bar). Since the subgroup size for microbial test is one (1), the calculation for standard deviation will be on individual measures.

The process capability value (C_{pk} or C_{pu}), is below the histogram chart (capability report). Since there are no lower specification limits within USDA microbial requirements, the C_{pu} will be used. The C_{pk} will be used for fat requirements that have a lower and upper specification limit. The applicable upper specification limits (USL) along with the capability limits (+/- 3 times the standard deviation of the individual measures (+/- 3sp)) will be displayed within the histogram. USL for microbial requirements will be found in Appendix B and Appendix C. The calculation for the C_{pu}/C_{pk} for microbial and fat requirements involves two steps:

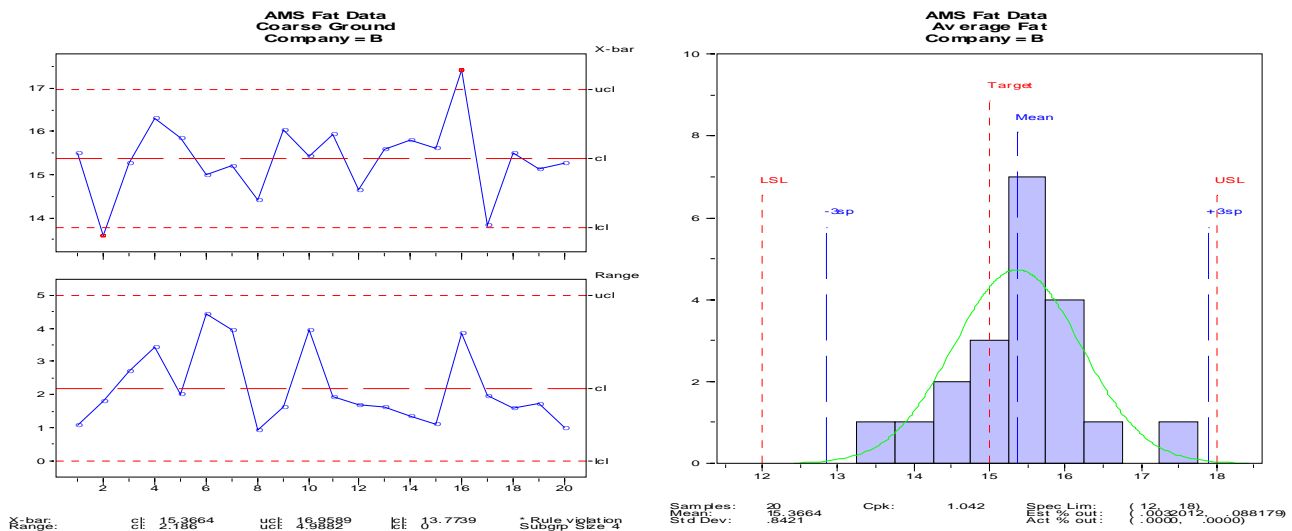
Calculation of C_{pu} with an upper specification limit only	
Step 1. The first calculation will determine the z value:	Step 2. The Z value divided by 3 will calculate the process capability (C_{pu}).
$Z \text{ value (upper)} = \frac{USL - \text{Process Average}}{\text{Standard Deviation of individual measures}}$	$C_{pu} = \frac{Z \text{ value (upper)}}{3}$
Calculation of C_{pk}	
Step 1. The first calculation will determine the min z value:	
$Z \text{ value (upper)} = \frac{USL - \text{Process Average}}{\text{Standard Deviation}}$	$Z \text{ value (lower)} = \frac{\text{Process Average} - LSL}{\text{Standard Deviation}}$
Step 2. The min Z value divided by 3 will calculate the process capability (C_{pk}).	$C_{pk} = \frac{Z \text{ value (min)}}{3}$

Control Chart



The central line (cl) in the above control chart indicates the incidence of positive *Salmonella* results (5.0%). The results are plotted with the positive results for *Salmonella* as 1 and negative results as 0.

The charts below are illustrative of the x-bar and range control charts and a process capability report (histogram) that may be used to measure fat content performance of the boneless beef supplier. For the boneless beef purchase program, the target must be 15 and the upper and lower specification requirements must be 18.0 and 12.0 percent fat respectively.



AMS BONELESS BEEF PROCESS REQUIREMENTS FLOW CHART

Quality Control Program – Prior to supplying boneless beef destined for USDA, the documented quality control program as described within the technical proposal must be approved by AMS. AMS will audit the program.

Process Assessment Status - A process assessment involves sampling and testing of 20 consecutive lots of boneless beef for USDA ground beef. Boneless meat may be processed into ground beef destined for USDA prior to receipt of test results. However, when results for *Salmonella* and *E. coli* O157:H7 are positive, such production lots of ground beef will not be allowed delivery to USDA.

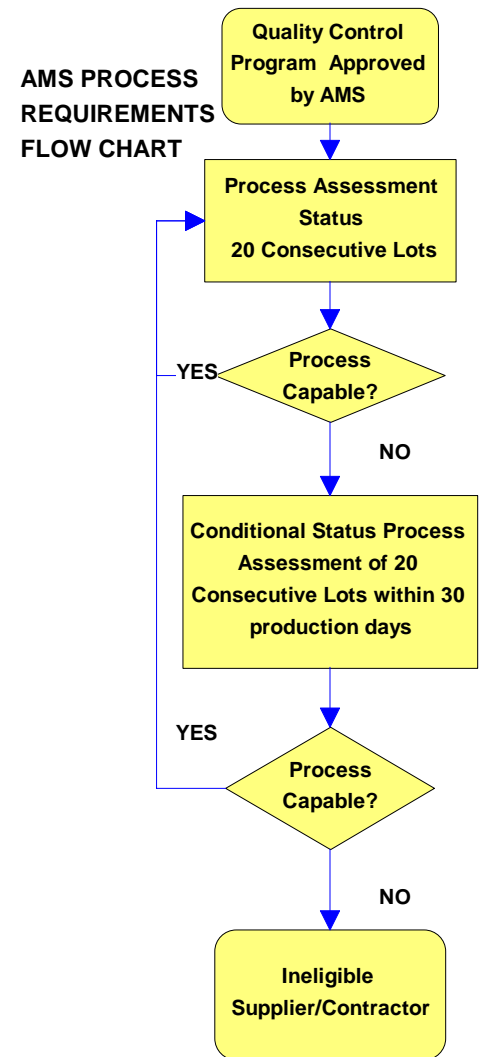
Process Capable? – Results of twenty (20) consecutive lots (which will include the last recorded result) will be used to determine the process capability value (C_{pu}) and central limit value (cl). Test results will be plotted on control charts and histograms (See APPENDIX A). A process is not capable when:

- The Cl and C_{pu} values do not meet the levels specified in the table below;
- Two (2) or more results exceed the critical limits in the table below; or
- The C_{pu} value after 2 or more results is negative.

Conditional Status – Boneless beef production lots with test results that exceed any Critical Limits listed in the table below may not be used in ground beef that is delivered to USDA. To regain process assessment status, the boneless beef supplier and/or the contractor must have 20 consecutive results that meet the C_{pu} and cl levels within 60 calendar days.

Process Capable? - While in Conditional Status – The supplier will be deemed ineligible when the process is not capable.

Ineligible Supplier/Contractor – An Ineligible Boneless Beef Supplier will not be allowed to supply boneless beef to any USDA contracted grinding facilities until corrective actions have been implemented, proven effective, and a satisfactory AMS assessment audit has been completed.

**AMS MICROBIAL REQUIREMENTS FOR BONELESS BEEF**

Microbial Test	Upper Specification Limits	Critical Limits	Cl or C_{pu} Value
Standard Plate Count	100,000/gram	500,000/gram	$C_{pu} \geq 1$
Total <i>Coliforms</i>	500/gram	2,500/gram	$C_{pu} \geq 1$
<i>E. coli</i>	100/gram	1,000/gram	$C_{pu} \geq 1$
<i>Salmonella</i>		Positive Results/25 grams	$Cl \leq 0.05$
<i>E. coli</i> O157:H7		Positive Results/325 grams	$Cl \leq 0.05$

APPENDIX C

Glossary of Terms

Statistical Process Control (SPC) – SPC is the primary analysis tool of quality improvement. The objective of any quality improvement strategy is to identify and reduce the amount of variation. SPC analyzes the variation in a process and is the applied science that assists suppliers to collect, organize and interpret microbial and fat test results on processing of ground beef destined for USDA.

SPC provides tools to help measure, identify, and eliminate variation from customer requirements.

Tools for Statistical Process Control	
Flow Charts	Scatter Diagrams
Pareto Diagrams	Run Charts
Cause and Effect Diagrams	Control Charts
Histograms	Capability Assessment

Flow Charts – Flow charts depict all of the steps of a process. Standard symbols are used to identify the start, finish, processing steps and decision steps. It can be used to simplify a complex process so that it can be analyzed (Figure 1).

Process – For the purpose of this specification, a single process involves the input of a raw material on a production line with a value added activity resulting in a output that can be further processed or meet a customer's need. A complex process involves output being another processes input. The production of ground beef is a complex process.

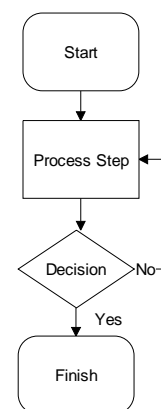
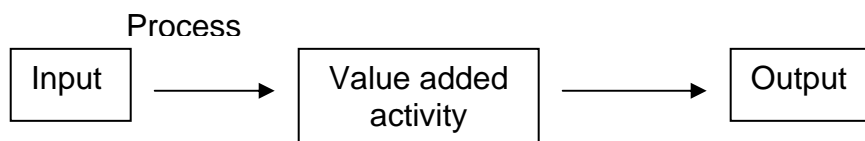


Figure 1

Pareto Diagrams – The Pareto diagram ranks the importance of different non-conformities. Typically, non-conformities are measured against frequency of occurrence. The Pareto analysis is helpful in identifying and justifying which problems will need to be solved first (see Figure 2)

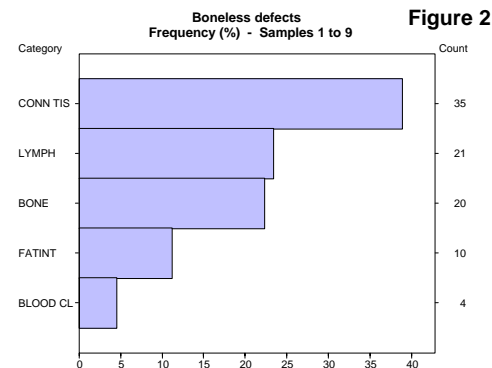


Figure 2

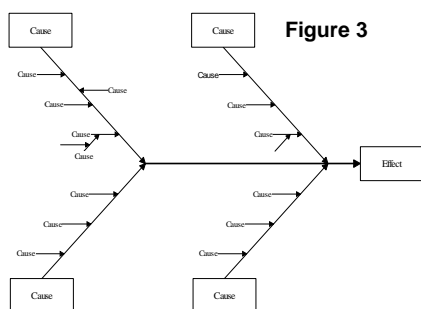
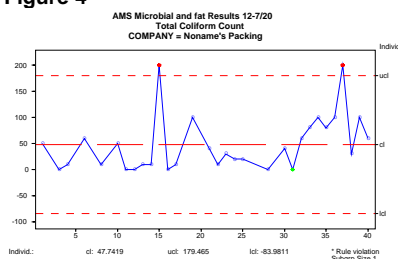


Figure 3

Cause and Effect Diagrams – A cause and effect analysis is used to identify the cause or source of non-conformities. It categorizes the source as derived from impact on a process presented by Human, Machinery, Material, Methods, Environment, and Measurement (Test). The Cause and Effect Diagram will assist in evaluating a process and assigning the appropriate control point (see Figure 3)

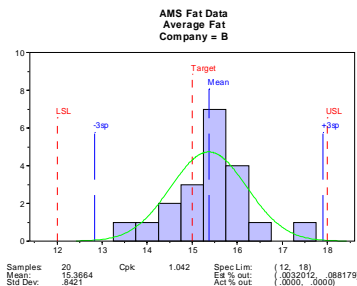
Figure 4



Control Charts – A control chart is a run chart with statistically derived upper and lower control limits (ucl and lcl). The control chart demonstrates if a process is in statistical control. When properly designed, control charts provide an early warning of problems allowing for adjustments to be made before production of non-conforming products. We recommend microbial test results be plotted on control charts for individual measurements with moving range and fat test results be plotted on control charts featuring average and range of the fat test results (See Figure 4).

Upper and lower control limits (ucl and lcl) – Control limits are statistical calculations of the distribution of test results. Upper and lower control limits represent ± 3 standard deviations of the process results. Data plotted outside the limits represent special causes of variation. A process may be considered “out of statistical control” when results are outside these limits. Upper and lower control limits are not to be confused with specification limits. A supplier wishing to be an eligible participant in the Ground Beef Program shall have a process that is capable of producing within the specification limits.

Upper and lower specification limits (USL and LSL) – Normally, the customer sets the specification limits. The objective of the Ground Beef Purchase Program is to procure from ground beef processors that are statistically capable of meeting the upper specification limits specified within the TRS-GB. The specification limits reflect customer needs (See Figure 5).



Histograms – The histogram shows a pictorial representation of the frequency of distribution of microbial test results over time. Sometimes referred to as process capability charts, histograms compare the distribution of the test results with AMS specification requirements. Use histograms along with control charts to better understand process capability (See Figure 5).

Figure 5

C_{pk} – Process Capability Value (C_{pk}) is a capability analysis index used to determine if a process can meet specification limits. A C_{pk} value of 1 indicates that the process is producing at least 99.73% within the specification limit. C_{pk} values of 1 for many organizations have become the minimum requirement. However, the larger the C_{pk} values the better. C_{pk} differs from other process capability analyses since it considers the process average along with the distribution of test results. Since there is no lower specification limit for USDA microbial requirements, the calculation for C_{pk} will not involve relating the process average with a lower specification limit.

C_{pu} - Process Capability Value (C_{pu}) is the same as C_{pk} except that there is no lower specification limit. The process performance index is correctly known as a Centered Process Capability Upper Specification Limit only (C_{pu}) (See Figure 5).

Excellent Condition - All product must be in excellent condition; e.g., exposed lean and fat surfaces shall be of a color and bloom normally associated with the class, grade, and cut of meat, and typical of meat which has been properly stored and handled. Cut surfaces and naturally exposed lean surfaces shall show no more than slight darkening or discoloration due to dehydration, aging, and/or microbial activity. The fat shall show no more than very slight discoloration due to oxidation or microbial activity. No odors foreign to fresh meat shall be present. Changes in color and odors characteristically associated with vacuum packaged meat in excellent condition shall be acceptable. Also, product shall show no evidence of mishandling. Beef must be maintained in excellent condition through processing, storage, and transit.

Random Sampling – A process of selecting a sample from a lot whereby each unit in the lot has an equal chance of being selected and is representative of the lot's production.



United States
Department of
Agriculture

Agricultural
Marketing
Service

STOP 0253- Room 2610-S
1400 Independence Avenue, SW.
Washington, DC 20250-0253

Notice

AGRICULTURAL MARKETING SERVICE
FOOD PURCHASE INFORMATION ON THE INTERNET

Suppliers and Recipients of Food Products Purchased by the Department of Agriculture's Agricultural Marketing Service (AMS), an agency in the Marketing and Regulatory mission area, can access information on purchases and offers via the Internet.

FOR QUICK ACCESS TYPE THE ADDRESS DESIRED IN THE LOCATION BOX:

USDA HOME PAGE: <http://www.usda.gov>

AMS HOME PAGE: <http://www.ams.usda.gov>

AMS COMMODITY
PROCUREMENT HOME
PAGE: <http://www.ams.usda.gov/cp>

LIVESTOCK AND SEED PROGRAM
COMMODITY PROCUREMENT HOME PAGE: <http://www.ams.usda.gov/lscp>

ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM

OMB No. 1510-0056
Expiration Date 01/31/2000

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion.

PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

AGENCY INFORMATION

FEDERAL PROGRAM AGENCY:

United States Department of Agriculture - Commodity Credit Corporation

AGENCY IDENTIFIER:

USDA-FSA-KCMO

AGENCY LOCATION CODE (ALC):

0000-4992-2

ACH FORMAT:

DO NOT COMPLETE THIS BLOCK!

☐

CCD+

☐

CTX

☐

CTP

ADDRESS:

Attn: ACH Disbursements
P. O. Box 419205
Kansas City, Missouri 64141-6205

CONTACT PERSON NAME:

Jim Maxwell

TELEPHONE NUMBER:

(816) 926-2550

ADDITIONAL INFORMATION:

FAX Number: 816-926-6347

PAYEE/COMPANY INFORMATION

NAME:

SSN NO. OR TAXPAYER ID NO.:

MAILING ADDRESS:

ENTITY/MASTER-CONTRACT CODE (If known)
(Attach sheet if more space needed):

DISBURSEMENT STATEMENT MAILING ADDRESS (If different from above):

CONTACT PERSON NAME:

TELEPHONE NUMBER:

()

SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL:

FINANCIAL INSTITUTION INFORMATION

NAME:

ADDRESS:

ACH COORDINATOR NAME:

TELEPHONE NUMBER:

()

NINE-DIGIT ROUTING TRANSIT NUMBER

DEPOSITOR ACCOUNT TITLE:

DEPOSITOR ACCOUNT NUMBER:

LOCKBOX NUMBER:

TYPE OF ACCOUNT:

☐

CHECKING

☐

SAVINGS

☐

LOCKBOX

SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL (Could be the same as ACH Coordinator):

TELEPHONE NUMBER:

()

INSTRUCTIONS FOR COMPLETING SF-3881 FORM

1. Agency Information Section - Federal agency prints or types the name and address of the Federal program agency originating the vendor/miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency. Also, the appropriate box for ACH format is checked.
2. Payee/Company Information Section - Payee prints or types the name of the payee/company and address that will receive ACH vendor/miscellaneous payments, social security or taxpayer ID number, and contact person name and telephone number of the payee/company. Payee also verifies depositor account number, account title, and type of account entered by your financial institution in the Financial Institution Information Section.
3. Financial Institution Information Section - Financial institution prints or types the name and address of the payee/company's financial institution who will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee/company) account title and account number. Also, the box for type of account is checked, and the signature, title, and telephone number of the appropriate financial institution official are included.

BURDEN ESTIMATE STATEMENT

The estimated average burden associated with this collection of information is 15 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Financial Management Service, Facilities Management Division, Property and Supply Branch, Room B-101, 3700 East-West Highway, Hyattsville, MD 20782 and the Office of Management and Budget, Paperwork Reduction Project (1510-0056), Washington, DC 20503.



United States
Department of
Agriculture

Agricultural
Marketing
Service

Mail Stop 0253, Room 2610-S
1400 Independence Ave. S.W.
Washington, D.C. 20250-0253

May 2004

ADDRESS INFORMATION FOR AMS COMMODITY PURCHASE PROGRAM

Vendor Name and Address: Contracts will be awarded and mailed to address provided.	Company Name:	
	Contact:	
	Address-Street:	
	Address-P.O. Box:	
	City, State, Zip:	
	Fed. Meat Insp. Est. No. Or State Insp. No. as appropriate:	
	Phone:	Fax:
Payment Disbursement Statement address: Payments to Vendors must be made electronically. To set up electronic transfer, contact the Kansas City Mgmt. Office (816/926-6988) <input type="checkbox"/> ACH <input type="checkbox"/> In Process	Company Name:	
	Contact:	
	Address-Street:	
	Address-P.O. Box:	
	City, State, Zip:	
	Phone:	
	Taxpayer Identification No. (TIN #)	
Plant Address: If Vendor address is same for plant, write "Same". If multiple plants, attach additional pages.	Company Name:	
	Contact:	
	Address-Street:	
	Address-P.O. Box:	
	City, State, Zip:	
	Phone:	
Plant's Shipping Point Address: If Plant address is same for shipping, write "Same". If multiple shipping points, attach additional pages.	Company Name:	
	Contact:	
	Address-Street:	
	Address-P.O. Box:	
	City, State, Zip:	
	Phone:	
Notice to Deliver Address:	Company Name:	
	Contact:	
	Address-Street:	
	Address-P.O. Box:	
	City, State, Zip:	
	Phone:	

Signature & Title (Authorized Company Representative)

Date

PLEASE RETURN THIS FORM PRIOR TO SUBMITTING A BID

Send by FAX to Contracting Officer, Livestock & Seed Program, AMS, USDA; 202/720-9538.

SOLICITATION MAILING LIST APPLICATION

1. TYPE OF APPLICATION

☐ INITIAL☐ REVISION

2. DATE

OMB No.: 9000-0002

Expires: 10/31/97

NOTE: Please complete all items on this form. Insert N/A in items not applicable. See reverse for instruction.

Public reporting burden for this collection of information is estimated to average .58 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.

3. SUBMIT TO	a. FEDERAL AGENCY'S NAME			4. APPLICANT	a. NAME				
	b. STREET ADDRESS				b. STREET ADDRESS		c. COUNTY		
	c. CITY	d. STATE	e. ZIP CODE		d. CITY		e. STATE	e. ZIP CODE	
5. TYPE OF ORGANIZATION (Check one)				6. ADDRESS TO WHICH SOLICITATIONS ARE TO BE MAILED (If different than Item 4)					
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> NON-PROFIT ORGANIZATION				a. STREET ADDRESS				b. COUNTY	
<input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> CORPORATION, INCORPORATED UNDER THE LAWS OF THE STATE OF:				c. CITY				d. STATE	e. ZIP CODE

7. NAMES OF OFFICERS, OWNERS, OR PARTNERS

a. PRESIDENT	b. VICE PRESIDENT	c. SECRETARY
d. TREASURER	e. OWNERS OR PARTNERS	

8. AFFILIATES OF APPLICANT

NAME	LOCATION	NATURE OF AFFILIATION

9. PERSONS AUTHORIZED TO SIGN OFFERS AND CONTRACTS IN YOUR NAME (Indicate if agent)

NAME	OFFICIAL CAPACITY	TELEPHONE NUMBER	
		AREA CODE	NUMBER

10. IDENTIFY EQUIPMENT, SUPPLIES, AND/OR SERVICES ON WHICH YOU DESIRE TO MAKE AN OFFER (See attached Federal Agency's supplemental listing and instruction, if any)

11a. SIZE OF BUSINESS (See definitions on reverse)	11b. AVERAGE NUMBER OF EMPLOYEES (Including affiliates) FOR FOUR PRECEDING CALENDAR QUARTERS	11c. AVERAGE ANNUAL SALES OR RECEIPTS FOR PRECEDING THREE FISCAL YEARS
<input type="checkbox"/> SMALL BUSINESS (If checked, complete items 11B and 11C) <input type="checkbox"/> OTHER THAN SMALL BUSINESS		\$
12. TYPE OF OWNERSHIP (See definitions on reverse) (Not applicable for other than small businesses)	13. TYPE OF BUSINESS (See definitions on reverse)	
<input type="checkbox"/> DISADVANTAGED BUSINESS <input type="checkbox"/> WOMAN-OWNED BUSINESS	<input type="checkbox"/> MANUFACTURER OR PRODUCER <input type="checkbox"/> CONSTRUCTION CONCERN <input type="checkbox"/> SURPLUS DEALER	
	<input type="checkbox"/> SERVICE ESTABLISHMENT <input type="checkbox"/> RESEARCH AND DEVELOPMENT	
14. DUNS NO. (If available)	15. HOW LONG IN PRESENT BUSINESS?	

16. FLOORSPACE (Square Feet/M²)

a. MANUFACTURING	b. WAREHOUSE	a. DATE	b. AMOUNT
			\$

17. NET WORTH

18. SECURITY CLEARANCE (If applicable, check highest clearance authorized)

FOR	TOP SECRET	SECRET	CONFIDENTIAL	c. NAMES OF AGENCIES GRANTING SECURITY CLEARANCES	d. DATES GRANTED
a. KEY PERSONNEL					
b. PLANT ONLY					

The information supplied herein (including all pages attached) is correct and neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is now debarred or otherwise declared ineligible by any agency of the Federal Government from making offers for furnishing materials, supplies, or services to the Government or any agency thereof.

19a. NAME OF PERSON AUTHORIZED TO SIGN (Type or print)	20. SIGNATURE	21. DATE SIGNED
19b. TITLE OF PERSON AUTHORIZED TO SIGN (Type or print)		

AUTHORIZED FOR LOCAL REPRODUCTION
Previous edition not usableSTANDARD FORM 129 (REV. 12-96)
Prescribed by GSA - FAR (48 CFR) 53.214(e)

INSTRUCTIONS

Persons or concerns wishing to be added to a particular agency's bidder's mailing list for supplies or services shall file this properly completed Solicitation Mailing List Application, together with such other lists as may be attached to this application form, with each procurement office of the Federal agency with which they desire to do business. If a Federal agency has attached a Supplemental Commodity list with instructions, complete the application as instructed. Otherwise, identify in Item 10 the equipment, supplies, and/or services on which you desire to bid. (Provide Federal Supply Class or Standard Industrial Classification codes, if available.) The application shall be submitted and signed by the principal as distinguished from an agent, however constituted.

After placement on the bidder's mailing list of an agency, your failure to respond (submission of bid, or notice in writing, that you are unable to bid on that particular transaction but wish to remain on the active bidder's mailing list for that particular item) to solicitations will be understood by the agency to indicate lack of interest and concurrence in the removal of your name from the purchasing activity's solicitation mailing for items concerned.

SIZE OF BUSINESS DEFINITIONS (See Item 11A.)

a. Small business concern - A small business concern for the purpose of Government procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operation in which it is competing for Government contracts, and can further qualify under the criteria concerning number of employees, average annual receipts, or the other criteria, as prescribed by the Small Business Administration. (See Code of Federal Regulations, Title 13, Part 121, as amended, which contains detailed industry definitions and related procedures.)

b. Affiliates - Business concerns are affiliates of each other when either directly or indirectly (i) one concern controls or has the power to control the other, or (ii) a third party controls or has the power to control both. In determining whether concerns are independently owned and operated and whether or not affiliation exists, consideration is given to all appropriate factors including common ownership, common management, and contractual relationship. (See Items 8 and 11A.)

c. Number of employees - (Item 11B) In connection with the determination of small business status, "number of employees" means the average employment of any concern, including the employees of its domestic and foreign affiliates, based on the number of persons employed on a full-time, part-time, temporary or other basis during each of the pay periods of the preceding 12 months. If a concern has not been in existence for 12 months, "number of employees" means the average employment of such concern and its affiliates during the period that such concern has been in existence based on the number of persons employed during each of the pay periods of the period that such concern has been in business.

TYPE OF OWNERSHIP DEFINITIONS (See Item 12.)

a. "Disadvantaged business concern" - means any business concern (1) which is at least 51 percent owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and (2) whose management and daily business operations are controlled by one or more of such individuals.

b. "Women-owned business" - means a business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

TYPE OF BUSINESS DEFINITIONS (See Item 13.)

a. "Manufacturer or producer" - means a person (or concern) owning, operating, or maintaining a store, warehouse, or other establishment that produces, on the premises, the materials, supplies, articles or equipment of the general character of those listed in Item 10, or in the Federal Agency's Supplemental Commodity List, if attached.

b. "Service establishment" - means a concern (or person) which owns, operates, or maintains any type of business which is principally engaged in the furnishing of nonpersonal services, such as (but not limited to) repairing, cleaning, redecorating, or rental of personal property, including the furnishing of necessary repair parts or other supplies as a part of the services performed.

- **COMMERCE BUSINESS DAILY** - The Commerce Business Daily, published by the Department of Commerce, contains information concerning proposed procurements, sales, and contract awards. For further information concerning this publication, contact your local Commerce Field Office.